MEDPAC Medicare Payment Advisory Commission

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December 1, 2006

Leslie V. Norwalk, Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-4119-P
P.O. Box 8017
Baltimore, MD 21244-8017

Re: CMS-4119-P

Dear Ms. Norwalk:

The Medicare Payment Advisory Commission is pleased to submit these comments on the Centers for Medicare & Medicaid Services' proposed rule to allow the Secretary to use the claims information that is now being collected for Part D payment purposes for other research, analysis, reporting, and public health functions. We appreciate your staff's ongoing efforts to administer and improve the Medicare program, particularly given the agency's competing demands.

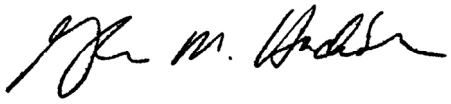
The proposed rule enumerates the various purposes for which the claims information can be used, including reporting to the Congress on the performance of the Part D drug program itself and conducting evaluations of many initiatives intended to improve the quality and reduce the cost of the program. To reduce burden on Part D drug plans and Medicare Advantage plans, the rule would use the existing data stream that goes to CMS rather than requiring these plans to submit the data twice. At the same time, the rule recognizes the need to safeguard the data in accordance with provisions of the law. The rule also would allow CMS to share the information it collects with outside entities, including other government agencies. The preamble to the regulation indicates that these would include Congressional support agencies.

Congressional support agencies are charged with reporting to the Congress about the impact of Medicare payment policies on cost, quality, and access. Data on Part D are necessary for analyzing program performance and making policy recommendations. In its June 2005 Report to the Congress, the Commission recommended that the Secretary have a process in place for timely delivery of Part D data to congressional support agencies to enable them to report to the Congress on the drug benefit's impact on cost, quality, and access.

The Commission commends CMS for its steps to make the data available for evaluation, research, and analysis. These data will prove invaluable; without it, entities would be unable to conduct important activities, such as post-surveillance monitoring of the efficacy of particular drugs, developing performance measures for drug plans, and analyzing the effects of the program on the spending and delivery of health care. The Commission urges CMS to finalize this rulemaking and make the data available as quickly as possible.

MedPAC appreciates the opportunity to comment on this rulemaking. If you have any questions, please feel free to contact Mark Miller, the Commission's Executive Director at (202) 220-3700.

Sincerely,



Glenn M. Hackbarth
Chairman